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TO THE CITIZENS OF BEAVER COUNTY

I am pleased to present the Comprehensive Annual Financial Report ("CAFR") for Beaver County ("the County") for the 2003 fiscal year.

The CAFR consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The CAFR consists of three major parts; the Introductory Section, the Financial Section and the Statistical Section. The Introductory Section includes this transmittal letter which emphasizes significant management and financial details, the Certificate of Achievement for Financial Reporting awarded by the Government Finance Officers Association for the 2002 CAFR, an organizational chart, and a listing of principal officials and department managers. The Financial Section includes, under the new Governmental Accounting Standards Board Statement No. 34, as amended, the report of our independent auditors, the Management Discussion and Analysis, the basic financial statements, required supplementary information, and the combining and individual fund financial schedules. The Statistical Section contains information of a historical nature relating to County finances, demographics, and other miscellaneous statistics for the County.